Attachment D

Addendum to the House Joint Resolution 24 as Approved on September 27, 2010

A Report to the Special Education Funding Task Force (Fourth Report, April 7, 2010)

For Elijah

Recommendations to the Task Force on February 12, 2010

A Report to the Special Education Funding Task Force (February 23, 2009)

Submission Requested by HJR 24
Task Force Member Mike Schack

ADDENDUM TO THE HOUSE JOINT RESOLUTION 24
AS APPROVED ON SEPTEMBER 27, 2010

AS PROMISED BY THE ASSISTANT SUPERINTENDENT FOR SPECIAL EDUCATION BETH HANSELMAN AT THE ILLINOIS STATE BOARD OF EDUCATION ON SEPTEMBER 27, 2010.

THE CONTENTS ARE THE FOUR REPORTS FROM MICHAEL SCHACK, A TASK FORCE MEMBER. INCLUDED IS AN INTRODUCTION WITH THE KEY POINTS AND A BRIEF EXPLANATION OF THE SOLUTIONS THAT THE AUTHOR VIEWS AS REALISTIC AND ACCEPTABLE BY THE LEADERSHIP OF THE GENERAL ASSEMBLY OF THE STATE OF ILLINOIS.

INTRODUCTION

Whereas, Special education continues to represent a growing financial burden on school districts as the need for services increases while State and Federal funding fails to increase along with that need; therefore be it

RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-FIFTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE SENATE CONCURRING HEREIN, that a task force shall be created to study current special education funding needs and to make recommendations as to how the State can increase special education funding and ease the financial burden on school districts; and be it further…

RESOLVED, that the task force shall report its findings and recommendations to the Governor and the General Assembly…
HJR 24

THIS AUTHOR'S SOLUTIONS THAT WORK

INCREASE THE PERSONNEL REIMBURSEMENT TO LOCAL SCHOOL DISTRICTS IN ILLINOIS.

This line item has been frozen for decades and is unfair to all the communities that are desperately attempting to meet the needs of our most challenged children. It would appear to be unjust to continue requiring mandated services to local school districts when funding has shrunk and demands for individual educational plans have escalated. The attached reports delineate specific financial forecasts which approach solutions that contain reasonable and realistic measures for easing this huge burden.

PAVE THE WAY FOR AN AVENUE WHICH AFFORDS AN EVEN SURFACE IN REGARDS TO SEVERELY CHALLENGED CHILDREN WHO ALSO REQUIRE HIGH COST SERVICE DELIVERY SYSTEMS.

This accommodation necessitates the simple stipulation that school districts must spend three per capitas for children identified as being severely and profoundly challenged. This stipulation pertains to Public and/or Private managed schools. Such a demonstration would be fiscally wise, federally acceptable and fair to children in these situations and their families. Again, a detailed explanation of this shift is in the attached reports to the task force

CONDUCT AN AUDIT FOR THE BLOCK GRANT TO CHICAGO.

In an effort to become a transparent, accountable and trustworthy society, we all need to practice what many now refer to as radical transparency. The tremendous needs of Chicago's children cry out for an accurate assessment of matching childrens' educational survival with the huge dollars involved. Not only is it politically expedient, but it will illustrate the vast and deep-seated problems with our children. The realization of the scope and volume of needs of these children will hopefully increase awareness and acceptance of our common challenges. In the long run, this author believes that a closer look into the needs of Chicago will justify further studies and further increases for school district #299. Again, more discussion of this important issue is attached for your reading. A first step should be to increase reimbursement to district #299 at a higher level than the rest of the State because of the added burden of teacher pension expenditures and a much higher cost of living factors.

THE WISDOM OF INVESTING NOW IN CHILDREN

The smart course of action would also appear to be the most loving, but also the best investment of our resources. We should stand tall here and make a commitment to educate those most vulnerable children who are least equipped to survive in a demanding world. It is not a time for pessimism, or optimism, or idealism, but it is a time for realism. Without adequately addressing the needs of our most challenged and marginalized children now, we will all face more costly burdens in the future. It is essential for our leaders to rise to the occasion.

A REPORT TO THE SPECIAL EDUCATION FUNDING TASK FORCE

THE FOURTH REPORT

FROM MICHAEL SCHACK
EXECUTIVE DIRECTOR
JOSEPH ACADEMY

APRIL 7, 2010

Revised

EXECUTIVE SUMMARY

Almost any knowledgeable educator in Illinois would be impressed with the passion and discipline of the members of this HJR 24 Special Education Funding Task Force. The 16 or so members including our astute facilitator Dr. Tom Parrish constitute a formidable body of dedicated intelligent citizens who have for years labored to defend the rights of disabled and marginalized children. Indeed, it is an honor to study, discuss and ponder among all of us what should become the best policies and practices to recommend to the Governor and General Assembly of Illinois. I am delighted to be part of this group. Our experience together has been informative, inspiring and challenging. Our charge is powerful and seems to be evolving from merely financial suggestions to ethical formulations for our State government and society in general. We now are approaching a phase where common principles and moral determinations have risen to the forefront of our recommendations. Recently, it would appear, we are developing more of a common ground than most of us previously thought could have become possible. As we move closer to the end of this phase, it needs to become our united hope and purpose that we formulate a plan that reflects the character of this noble group. For me it is not about any singular victory or cause, but the language and enrollment into a commitment to do what is just for the children who need our leadership. We, I believe, can not only agree upon some clever financial suggestions that may seem politically comfortable for the leaders in Illinois; but we must reframe the purpose of special education. It is our challenge to convince the leaders that this segment of education is about an investment in the lives of the marginalized and not only expenditure. The common sense in this business plan rests on the notion that remediation and growth now will be far less costly than the problems that will fester and become much more burdensome in the future left unattended.

REDUCE THE BURDEN TO ILLINOIS LOCAL SCHOOL DISTRICTS.

Since the passing of 94-142 local school districts have not received the once promised 40% of Average per Pupil Expenditure. Al best some have noticed close to 20% while most averaged 10 to 17% in good years. It appears to be fair and manageable that Illinois increase the Personnel Reimbursement for Professional and Non-certified staff members hired by local school districts. The technological capacities within ISBE are in place in order to successfully monitor this process and a reasonable increase should not affect the ability to maintain transparency. I have suggested as much as $15,000 for Professional and $6000 for Non-certified. The exact amount is not as important as is the concept and acceptance that this is just for the local districts who continue to hold the fundamental responsibility under the law. It is not fair to short the districts just because the federal government has shorted the states. We as a leadership entity must step up and make a change with courage.

APPROACHING THE LACK OF TRANSPARENCY IN THE BLOCK GRANT

If the leaders in District #299 can become aware and commit to transparency, surely they can see that the opportunities for better appropriations of funding towards children will ensue under a streamlined reimbursement system. We can all operate more in the light of day. It needs to become our recommendation that ISBE increase their technology capacity and gear up so the various mandatory line items which the rest of the country follows become the operating procedures for Chicago Public Schools. When one looks at the numbers of Professional and Non-certified staff working within district #299, the mathematical results show clear advantages for revenues in the future. Personnel is just the first step and the other line items can follow with little effort. What we need to approach is formulating more close conversations with leaders in Chicago and Springfield as to the value of accountability and transparency. In a previous report to this Task Force, I suggested using a portion of the stimulus funding to improve and advance ISBE technology. Within the business world these types of investments are not only frequent but encouraged. This seems to me to be a wise investment plan and merits discussions and research efforts. I believe that personal contacts with leaders in Chicago are essential and will lead to awareness and enrollment in these ideas. The Corey "H" decision could not have possibly meant to conceal funding for children, and it can be reasonably included in a forward-thinking plan.

INEQUITIES IN THE PLACEMENT PROCESS.

There are any number of attempts within and outside the Task Force that typify the mutual collaborative efforts of Public and Private schools working together in an effort to better serve the severe and profound children in our system. For decades many administrators both Public and Non-public crafted service delivery systems that were effective. What is blocking the recreation of those models from years past? If the Task Force really wants to improve efficiencies for this high-cost sector, then established guidelines for cooperative ventures must be encouraged and required. The careful cost containment overseen by the Illinois Purchased Care Review Board needs to be outsourced to cover the high-cost of Public district or joint agreement programs that display costs well over twice that of the Non-public sector. There has long been a practice of sometimes identifying children who have moderate disabilities as severe and profound. This is not unique to Illinois and causes the federal government to restrict numbers for extraordinary reimbursements. Working together can not just be approached through legislation. This process requires humility, listening, respect for others and risk. The more educators become aware of our differences, the more we will become aware of our common passions and human characteristics. The law requires a "Continuum" of special educational services. That spectrum, if you will, necessitates acceptance tolerance and an ethical approach to united actions. The future of special education lies in the hands of this Task Force. We have recently grown more together. Let us not stop.

SOME WORDS OF ENCOURAGEMENT

Never doubt that a small group of thoughtful, committed citizens can change the world. Indeed, it is the only thing that ever has.

Margaret Mead

FOR ELIJAH

The Cicero Fire Department said it was the worst arsonist fire tragedy in 40 years. Several poor people living in a wooden house in Cicero, Illinois, died on that fateful early Valentine's Day February 14, 2010. One of the 7 members of that family who burned to death was one of our own. He was 16 and recently changed his whole life attitude with the help of the faculty at Joseph Academy in Des Plaines- a non-public approved special education school for students with severe and profound disabilities. Several years ago his family moved from their surroundings in Chicago and ventured into this unsafe house in Cicero. Elijah had been identified as having severe and profound emotional, behavioral, learning and health impairments. His unique educational needs made him eligible to be placed in the highly structured therapeutic setting at Joseph Academy.

During his three years at Joseph Academy, Elijah grew, learned and changed substantially. The pain, anger and confusion were transformed into success, hope and purpose. He now had a new vision and higher expectations for his future. During the weeks before he died in an unsafe and under finished attic bedroom; he was demonstrating achievement never seen before. He was getting good grades, smiling often and looking forward to a free pizza luncheon. Elijah was a promising student with a bright future, newly gained confidence and an improved work ethic. Then his life ended suddenly and unjustly. For his family, the Joseph Academy faculty and students, this horrible event dampened their spirits. His life story is remarkable and should be remembered and cherished.

From afar, this is also a story about one student who was successfully served within the service delivery system of special education in Illinois. Elijah's rise to success depicts the quality and continuum of services that reinforce the statement that every child is entitled to an appropriate education tailored to meet his/her unique needs. His story is important because it echoes the situations that arise often with children who have very special needs. We are seeking a commitment to invest in other children like Elijah.

In the midst of financial short falls, tax revenue decreases and recessions, it is essential that we educational leaders maintain the vision and the promise to uphold the laws requiring public school districts to provide a continuum of specialized services to the most marginalized children. Historically Americans have rallied during tough times to respond to challenges with brave hearts and solid character. It is now that we as leaders need to hold our most vulnerable in a good place and keep their needs just as high as our most talented achievers. We show our character as a society when we protect and guard those least equipped to survive in our demanding world.

Illinois educational funding and reimbursements to local school districts must be driven by the needs of the most vulnerable and the most talented as well. All educational funding must be viewed as an investment in our future and not just as expenditure for the current budget. Our work now can pave the way for a higher return on investing in special education. There are two ways to look at this situation. We can embrace the ethic and activism of caring; or we can look at special education from a purely short term point of view- that of the annual bottom line. But what is the real cost factor of ignoring those most at risk? Society pays a much higher price when it does not educate them and then problems multiply. The increased costs of shuttling them through incarceration exponentially increase and the burdens remain with the taxpayer. Without interventions now we will need to deal with threats to security imposed by recklessness from disenfranchised youth who turn to gangs and other forms of anarchic behaviors.

Thus the investment in early educational remediation is the "good business" practice that pays off ethically, morally and financially. It is our duty to increase awareness of this issue, to seek acceptance of the vital role of special education and to gain a sense of commitment from our leaders. Our positive actions can materialize with a combined effort from government, private enterprise, interested people, the media and the academic community. With collective courage we can approach a breakthrough and actively keep Elijah's life story alive and his memory a reminder for others who need special help.

Recommendations to the Task Force on 2-12-2010

CHARGE TO THE TASK FORCE

- "To make recommendations as to how the State can increase special education funding and ease the burden on school districts."
- Maximize personnel reimbursement to local school districts in Illinois.
- Raise the Certified level to $15,000 and the non-certified level to $6,000 per person.
- This largest line item of reimbursable costs is not difficult for ISBE to monitor and puts the dollars where the IDEA responsibility is fundamental.

Address Personnel Line to District #299

- According to Administrators from District #299 there hire 3600 certified and 3000 non-certified.
- Do the math!
- $15,000 times 3600= $54million.
- $6000 times 3000=$18million.
- $54m plus $18m equaled = $72.
- Then there is transparency and accountability.
- Therefore, we change that portion of the Block Grant so it is transparent regarding personnel.

BLENDING THE 14-7.02 and 7.02b

- Ask a Special Team from the Task Force to develop a way to keep everyone honest since they must label certain children as severe and profound for 7.02b.
- Some Joint Agreement administrators find ways to claim children in this category and might use the blended dollars for their own aggrandizement.
- Non-public managed facilities have developed an expertise for many of those high cost children and excel at transitional planning. Use their intellectual assests.
- Non-public schools are more transparent and more cost efficient and treat more needy children than the district can accommodate. We can learn from each other.

REVISIT THE 1998 TASK FORCE

- Many of the Final Recommendations on the State Formulas stressed in 1998 are still very workable.
- The Task Force needs to seek more public support in order to convince the Governor and General Assembly that Illinois local districts DO NOT receive the percentages of funding from our State that others across America enjoy.
- Our most recent figures indicate the National average of expenditures from local districts is about 36%, while Illinois local districts expend over 50% of the costs.
- Our State needs to increase funding to local school districts including #299. and find ways to make it transparent and more accountable to the people.

A REPORT TO THE
ILLINOIS SPECIAL EDUCATION FUNDING TASK FORCE

A Focus on the Federal Laws and Thirty Years of Key Points Effecting Children and Services

February 23, 2009

By

Mike Schack M.A., M.B.A.

SPECIAL EDUCATIONAL LAWS AND FUNDING: KEY POINTS OVER 30 YEARS FROM FEDERAL TO ILLINOIS BY MIKE SCHACK

1. Before the Federal Special Education Law 94-142 mandates became effective, Illinois had developed procedures for services to handicapped children. It was customary for certain non-profits and government agencies to care for children in need. Indeed, many states founded schools for the deaf, blind and orphans, while local municipalities often built residential facilities and depended upon service clubs and religious organizations to help fund the operations. Illinois local school districts served handicapped children and annually applied for partial reimbursements for such line items as Personnel, Transportation, Extraordinary Cost Programs and Private Special Education Facilities. School districts were not yet required to fund the total cost of the education. If a family had the financial resources, they could supplement costs and select programs within their budget. For the majority of children needing services, the public schools met most of the needs. However, for more severely challenged other optional placements became necessary. Those without the financial backing would often need to relinquish custody of the child to a state agency in order to gain services. Two state directors of special education in Illinois were Ray Graham and Vernon Frazee who creatively worked with the legislature to pass laws like HB 4366 and HB 2671. These measures ensured up to $3000 per year to pay tuition for non-public day and residential schools. Years before that situation, Cook County had enacted a law in 1899 requiring that Chicago operate "parental schools" and the state of Illinois operated mental health facilities including educational programs. Under the "Orphanage Act" many homeless children were housed and given basic vocational training in a variety of facilities throughout Illinois. All these services were provided by state and local agencies and supplemented by private donations.

2. In 1975 it was generally agreed in Washington that millions of children with handicapping conditions were receiving no services at all. When President Ford signed PL 94-142 in 1975 he wrote at length about its high price tag. The law " promises more than the federal government can deliver" and contains "many unwise provisions," including" a vast array of detailed, complex and costly administrative requirements…under which tax dollars would be used to support administrative paperwork and not educational

programs."* Ford offered to work with the Congress in order to develop an "effective and realistic" program which could recognize the federal role in helping states and localities fulfill their responsibilities in educating handicapped children. But Congress and an impassioned populace had no intention of going back to the drawing board and PL 94-142's regulations were signed August 15, 1977, by Health, Education and Welfare Undersecretary Hale Champion and published in the August 23 *Federal Register*. The bill represented a civil rights statement for the handicapped children from 3 to 21 whereby 75% of funds would pass through to local school districts.

3. Federal funding would start to flow to the states for the 1978 school year at 5% above of states supplemental costs and increasing until 1982 to 40% of those supplemental costs. The law included a provision for a graduated scale of incremental increases for the years 1979 through 1982 going from the promised 5% up to 40% and leveling of from that point. The federal law also required states to not identify too many handicapped children, and set limits at about 12% of the population of school-age children. Formulas were developed which capped the percentages of handicapped children that states could identify and a "free appropriate public education" for all handicapped children was to be established by September 1, 1978. Since those dates, the federal government has never fully funded 94-142. Most would argue that the highest annual amount ever given to the states has been less than 20%.

4. Public Law 94-142 has been labeled the most sweeping legislation in the history of special education. The intent of the law was to raise public awareness; increase administrative knowledge of how to educate handicapped children; break down stereotypes about disabled and challenged children; and to foster empathy in the hearts of traditional students so that they would no longer just see them as "those strange kids down the hall."** It is unclear whether American mainstream educators, students or the general public have improved their acceptance of those who seem "different" from the norm. The increases in numbers of children now identified as disabled and those placed in self-contained classes, off campus learning centers and private special education schools has soared.

5. Since the federal laws required free individual educational programs for all handicapped children in America ages 3 to 21 starting in 1978, funding has always been an issue. Over the past 30 years the same ten states have led the country in the delivery of services and

in funds received. Illinois has maintained a position as number four in the numbers of children served. The top ten have for the most part been in order: California, Texas, New York, Illinois, Ohio, Pennsylvania, New Jersey, Florida, Michigan and Massachusetts. The largest amounts of federal funds have been allocated to these states in proportion to the numbers of children counted as of each December 1st since 1979. Most of these states have developed think tanks for exploring through research program innovations and funding strategies.

6. As the law mandated, each state must develop an Advisory Council for Special Education which must assist in the State's Compliance Plan and also coordinate efforts with the National Advisory Council for the Handicapped in Washington DC. Most state directors of special education will estimate that between 10% to 20% of school age children receive some level of special education and related services along the "Continuum."* The Continuum means a detailed service delivery system ranging from Resource services for a few minutes per week all the way up to a 24 hour residential school. Any state compliance plan will elaborate on the vast array of service components in place.

7. The main priorities of Public Law 94-142 were to: identify and serve all underserved children; and to develop individual educational programs for the most severely handicapped children. State and local school agencies faced enormous increases in special education costs and have continuously struggled with finding and training enough certified qualified teachers and related personnel. Illinois has watched the state budget grow as well as the new requirements for detailed service delivery systems to meet increasing needs. Every year the media presents compelling stories of the increases in disabilities in children like Autism, Learning Disabilities, Other Health Impairments, Emotional Disturbances and Adolescent Depression. Today more school districts are seeking principals and superintendents who have special education experience and expertise in programs, conflict resolution and developing individual educational plans. The state of Illinois has one of the highest numbers of local districts and special education cooperatives in the nation, and offers the opportunity to become a role model for others in solving these challenges.

8. Section 300.550 of 94-142 required school districts and states to serve handicapped children within the Least Restrictive Environment (LRE). This necessitated the development of many

mainstreaming opportunities and resulted in costly Due Process hearings and law suits. The FAPE component brings an emphasis upon mainstream experiences as much as possible for the child. This one section has resulted in more expansive services and yet the requirement for documentation of every step in the identification and evaluation process further compounds the bureaucracy. Today's special and regular teacher needs to keep a lap-top computer handy just to be able to record every move and response to student actions and performance or lack thereof. Section 300.551 requires states and local educational agencies to develop a "Continuum" of services from Resource Service to Residential Educational Placements. These costs soared because of increases in required documentation and tuition and also room and board and related services. Illinois budget line item for non-public reimbursement has grown steadily in recent years.

9. Recently, the Illinois Special budget for 2010 was projected to be over $1.7 billion. Without some form of increased revenue in Illinois, local districts will not be able to meet the requirements of the laws and will face additional challenges from No Child Left Behind. NCLB attempted to replace the Elementary and Secondary Education Act of 1965, but largely resulted in a "top-down" mandate introducing a culture of micromanagement for the American teacher often ignoring the basic principals of pedagogy and good teaching. Now there appears to be a need for innovation, creativity, empathy and the means to manage the vast degree of documentation brought about by NCLB.

10. Illinois Educational funding has been promised federal assistance and to date has never received even 50% of what the laws from 1978 mandated. These requirements for service delivery have continually increased without adequate federal support. Also, within Illinois, little or no special educational funding has materialized as a result of proceeds from the toll way revenues or the state lottery. Local school district revenues are declining because of decreases in real estate taxes and there has been a drop in approved local referendums for school funding.

" Impact on the Schools",94-142, Capitol Publications, Arlington, Virginia, Roberta Weiner